

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

INTRODUCTION

The five-year implementation plan for the Town Centre II Redevelopment Project Area is adopted to meet the requirements of Section 33490 of the California Health and Safety Code. This five-year implementation plan covers the period from January 1, 2000 through December 31, 2004 and supercedes the plan originally adopted for the period 1994 through 1999. The plan is a flexible policy document and not a limitation on the Redevelopment Agency's activities in this project area over the coming five years.

BACKGROUND

The Town Centre II Redevelopment Project Area, located in the downtown area of Chula Vista, was adopted by the City Council on August 15, 1978. The original project included the Chula Vista Shopping Center and Sears retail center, and comprised a total of 65.41 acres. The purpose of this project was to unite and renovate these two commercial centers into a contiguous modern and competitive regional shopping center.

The Town Centre II Redevelopment Plan was amended in May 1987 to incorporate the authority to obtain tax increment revenues in accordance with California Community Redevelopment Law. This authority was not included in the originally adopted Redevelopment Plan.

As part of the negotiations with affected taxing entities pertaining to the inclusion of tax increment financing, the Agency agreed to amend the project a second time to add additional territory. The second amendment, adopted in June 1988, facilitates various school district projects and promotes redevelopment of blighted land uses in the additional territory. In total, ten sites totaling 75.7 acres were added to the Project Area by the second amendment.

The original duration of the Redevelopment Plan was 45 years until the year 2032. Pursuant to California Health and Safety Code Section 33333.6, the Plan was amended to reduce the duration to 40 years or 2027. Financial limitations have been established as follows: A limit of \$42.5 million of taxes which may be divided and allocated to the Agency or, if bonds are issued or reimbursement agreements are entered into with other public agencies and/or private entities, a cumulative total of \$100 million plus the amounts included in any reimbursement or other agreements with affected taxing entities.

The Implementation Plan is intended to be a flexible policy document to guide Agency activities over the next five years (2000 through 2004), and is not intended to represent a limitation on Agency activities. The programs/projects included in the

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

Implementation Plan are those priority programs anticipated to be implemented during the next five years. However, these programs/projects are not all of the programs/projects necessary to eliminate blight in the project area.

The Redevelopment Project Area boundaries are described on the attached map (Exhibit A).

BLIGHTING CONDITIONS

PRE-PLAN ADOPTION CONDITIONS

The Redevelopment Plan identifies the following blighting conditions in the original Project Area:

- + Incompatible land uses;
- + Obsolete structures;
- + Inadequate parking facilities;
- + Unsightly or unattractive signage and graphics, general lack of design standards; and
- + Inadequate land use and townscape planning which has had a negative impact on businesses and neighboring residential land uses in the Project Area.

The 1988 Plan Amendment established the following blighting influences for the expansion area:

- + The need to recycle under-utilized parcels to accommodate higher and better economic uses improving the financial viability of the community as a whole;
- + The need to upgrade the general aesthetics of the older commercial enterprises to improve their economic viability and their ability to compete with newer commercial areas both within the City of Chula Vista and adjacent communities;
- + The need to address street improvements;
- + The existence of parcels of property that are of irregular form and shape or inadequately sized for property usefulness and development;
- + The existence of obsolete and/or dilapidated structures; and
- + The need to promote continued redevelopment of the Downtown Business District.

PROGRESS IN ELIMINATING BLIGHT

Since the adoption of the Redevelopment Plan in 1978, the Redevelopment Agency

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

has worked to eliminate certain of these conditions through the following efforts:

- + Provided financial and planning assistance for two expansions of the Chula Vista Center Regional Mall, adding over 220,000 square feet of new commercial space including a fourth major department store, parking structure, ten-screen cinema and new mall shops linking the Broadway and Sears stores.
- + Closed Fifth Avenue between H Street and I Street to facilitate expansion of Chula Vista Center.
- + Relocated the Girls' and Boys' Club (previously located within Chula Vista Center) to a new, modern facility several blocks away to continue to serve the western section of the City.
- + Designated Scripps Memorial Hospital as developer for an eight-acre parcel located at the northeast corner of Fifth Avenue and H Street. The project includes expansion of hospital facilities located on the adjacent parcel and construction of medical offices and parking facilities.
- + In conjunction with the Scripps Memorial Hospital project, successfully relocated youth serving facilities including Rollerskateland and Fiesta Twin Cinemas to new facilities located near their old sites.
- + Private development has provided 90 units of moderate priced rental housing in the Project Area.
- + Purchased property for the expansion of City Hall employee parking.
- + Assisted with the development of the WalMart site at the northern end of Broadway, including the development of 160,000 square feet of commercial development.

CURRENT CONDITIONS

Despite progress made to date, certain blighting conditions remain which will impact future commercial and residential development. These include:

- + Blighted, underdeveloped or vacant contiguous parcels of irregular shape with multiple ownerships which need to be consolidated for redevelopment purposes to provide higher and better economic use of property.
- + The need for street improvements including the provision of adequate access for development of commercial parcels.
- + Overcrowded conditions at public schools within or adjacent to the Project Area.
- + Existence of obsolete and/or dilapidated structures.
- + Incompatibility of the Sweetwater Union School District headquarters with

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

- surrounding low-density residential development.
- + City Corporation Yard currently an incompatible use set to be relocated to a more suitable site.

SPECIFIC GOALS AND OBJECTIVES FOR THE PROJECT AREA

To address the blighting conditions listed above, the following goals and objectives were established in the Redevelopment Plan (including the amendments):

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

PROJECT GOAL

The goal of this redevelopment project is to eliminate existing blighting conditions, revitalize the Town Centre II Project Area as the principal regional shopping center of the South Bay, to facilitate various school projects and to promote the redevelopment of property within the Project Area.

OBJECTIVES OF THE PLAN

- + Elimination of blighting influences, including incompatible land uses, obsolete structures, inadequate parking facilities, unsightly or unattractive signage and graphics, and inadequate landscape and townscape planning.
- + Elimination of environmental, economic, social, planning, and physical deficiencies.
- + The strengthening of the mercantile posture of Town Centre II, and the improvement of retail trade therein.
- + The renewal of Town Centre II's physical plant and the improvement of its land use patterns and spatial relationships.
- + The retention and expansion of viable land uses, commercial enterprises, and public facilities within the area.
- + The attraction of capital and new business enterprises to the project area.
- + The comprehensive beautification of the area, including its buildings, open space, streetscape, street furniture, graphics, and signage.
- + Protection of peripheral residential enjoyment and land use integrity.
- + The accommodation of future local and regional mass transit and related facilities; improvement of off-street parking areas and provision for improved mass transit systems.
- + The establishment of design standards to assure desirable site design and environmental quality.
- + The fostering of cooperation between the Town Centre II Project Area and the Chula Vista Town Centre I Project Area and the protection of the goals, objectives and economic resurgence of the latter.
- + The continuing promotion of Subarea 1 of the Chula Vista Town Centre II Project Area as the principal center of specialty-goods purveyance in the South Bay Subregion.

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

PROGRAMS, PROJECTS AND EXPENDITURES PROPOSED FOR THE NEXT FIVE YEARS

The preliminary list of Redevelopment programs and projects provided below represents a list of staff-identified actions that, if implemented, will have a direct positive effect on the elimination of blighting influences in the Project Area. Inasmuch as the proposed programs need to be evaluated during the course of annual budgetary approval actions, the proposed expenditures have not been fully determined, and in most instances, will be a function of available redevelopment funding. The annual budget approval process will be the framework within which staff-proposed programs will be evaluated and "compete" for funding approval by the Redevelopment Agency Board. Additional programs are needed to completely eliminate blight in the Project Area, but the programs described in this section are proposed to be implemented over the next five years. The costs described are based upon anticipated tax increment cash flow over the next five years net of debt service and administrative costs.

RELOCATION OF CITY PUBLIC WORKS YARD SITE

The City Public Works Yard occupies six acres adjacent to the Bayfront San Diego Trolley Station. The City has secured for a new public works yard site in the Otay Valley Road Project Area, which will be more centrally located as the City continues to grow eastwardly. In order for the current yard site to be redeveloped, a feasibility analysis is desirable to determine the highest and best use for the site. Marketing and development of the site for redevelopment will require additional staff and program costs. The cost for this activity is estimated as follows:

RELOCATION OF CITY PUBLIC WORKS YARD SITE AND DEVELOPER SOLICITATION FOR VACATED YARD	\$100,000
--	-----------

WORK WITH SCHOOL DISTRICTS TO FACILITATE EXPANSION AND RELOCATION NEEDS

Agency staff will work with the Chula Vista School District and Sweetwater Union High School District towards resolving facility needs, including expansion of the Feaster/Edison School site. Agency costs for these activities are estimated as follows:

EXPANSION/RELOCATION OF FEASTER/EDISON SCHOOL SITE	\$100,000
--	-----------

REDEVELOPMENT OF COMMERCIAL SITES

Agency staff will work with developers and property owners on a variety of commercial redevelopment projects on a case by case basis. Agency activities include developer solicitations and negotiations, and implementation of

<p>TOWN CENTRE II REDEVELOPMENT PROJECT AREA Five Year Implementation Plan for Years 2000 - 2004</p>
--

development agreements. Possible specific actions include property acquisition and land assembly, land write-downs, infrastructure improvements and short- and long-term planning efforts. These activities are estimated to cost approximately \$200,000 during the course of the five-year implementation plan.

COMMERCIAL SITE REDEVELOPMENT COSTS

\$200,000

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

CIVIC CENTER MASTER PLAN

As the City experiences significant growth and development during the period of this plan, additional needs for office space within the Civic Center complex is anticipated.

CIVIC CENTER MASTER PLAN AGENCY DEVELOPMENT COSTS

\$250,000

HOW GOALS, OBJECTIVES, PROGRAMS AND EXPENDITURES WILL ELIMINATE BLIGHT

The impact that goals, objectives, programs and expenditures will have toward the alleviation of blighting conditions as cited in the Redevelopment Plan is summarized below. The impact of the programs is also summarized on the attached matrix (Table 1).

GOALS AND OBJECTIVES

The goals and objectives, as discussed in the Redevelopment Plan, were specifically developed to alleviate blighting conditions in the Project Area.

The original project goal was the revitalization of the Project Area (Chula Vista Center shopping center) as the principal regional shopping center for the South Bay. This goal was expanded as part of the second Redevelopment Plan amendment, to include the facilitation of various school district projects and redevelopment of Agency/City facilities within the expanded project area. This will continue to require the alleviation of blighting influences as more specifically addressed by the objectives.

The objectives specifically address the elimination of blighting influences including incompatible land uses, removal of obsolete and dilapidated buildings, and the need for beautification efforts and sign control to improve Project Area aesthetics. The objectives also stress the strengthening of the mercantile character of the Project Area with good townscape planning including sensitivity to the need to protect peripheral residential land uses.

PROGRAMS

The programs to redevelopment commercial sites will specifically address blighting influences of incompatible land uses, obsolete structures, irregular parcels, the need to recycle underutilized parcels for better economic use of property, and the need for street improvements.

The programs to facilitate school district projects will address blighting influences of

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

incompatible land uses, obsolete structures, inadequate parking, inadequate land use controls and better townscape planning.

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

The programs to relocate the City's Corporate Yard will provide a six-acre parcel in a prime location for major commercial redevelopment. These programs will address incompatible land uses (current usage), the need to recycle underutilized parcels to accommodate higher and better economic uses and the need to promote continued redevelopment in the downtown business district.

The programs to accommodate the Civic Center Master Plan will address inadequate office space and parking.

EXPLANATION OF HOW THE GOALS, OBJECTIVES, PROJECTS AND EXPENDITURES WILL IMPLEMENT PROJECT HOUSING REQUIREMENTS

GOALS AND OBJECTIVES

California's Community Redevelopment Law requires that not less than twenty (20) percent of all tax increment revenue generated by the Project Area shall be used for the purpose of increasing or improving the community's supply of very low, low, and moderate income housing. The law requires that at least fifteen (15) percent of all new or rehabilitated dwelling units developed with housing assistance by entities other than the Agency in a Redevelopment Project Area be affordable to low and moderate income households, of which forty (40) percent must be for, and occupied by, very low income households. Additionally, affordable dwelling units shall remain affordable for the longest feasible timeframe (usually 55 years), but no less than the period of land use controls established in the Project plan.

PROJECTS AND EXPENDITURES TO BE MADE DURING THE NEXT FIVE YEARS

- + Annual housing production goals have been established Citywide. See Citywide Housing Goals included in the attached City of Chula Vista Housing Implementation Plan.
- + Estimated number of low/moderate income housing units to be destroyed in Years 1-5:
48 mobilehome units
- + Replacement Housing expected to be produced.
See City of Chula Vista Housing Implementation Plan, Section V.
- + Low/Moderate Housing Fund Expenditures expected.
See City of Chula Vista Housing Implementation Plan, Section V.
- + Housing Production Plan
See City of Chula Vista Housing Implementation Plan, Section V.

TOWN CENTRE II REDEVELOPMENT PROJECT AREA
Five Year Implementation Plan for Years 2000 - 2004

- || + Low/Moderate Income Housing Production Results
See City of Chula Vista Housing Implementation Plan, Section V.

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

CONCLUSION

Adoption of the Implementation Plan shall not constitute an approval of any specific program, project or expenditure and does not change the need to obtain any required approval of a specific program, project or expenditure from the Agency or community. The projects described in the Implementation Plan are examples of undertakings that will meet the goals and objectives of the Redevelopment Project. Other projects that meet program requirements may also be pursued by the Agency.

This is the second Implementation Plan for the Town Centre Redevelopment Project. This Plan will be reviewed by the Agency at least once within the five-year term of the Plan. The review, including a noticed public hearing, will take place no earlier than two years and no later than three years following adoption of this second Implementation Plan.

The Agency will hold a requisite public hearing and adopt a new Implementation Plan every five years from the date of adoption of this Plan

The Implementation Plan may be amended by the Agency at any time following a noticed public hearing.

TOWN CENTRE II REDEVELOPMENT PROJECT AREA
Five Year Implementation Plan for Years 2000 - 2004

TABLE 1
SUMMARY OF REDEVELOPMENT PROGRAM INFLUENCE ON BLIGHT

The following chart indicates the blighting conditions identified in the Town Centre I Redevelopment Project Area that will be affected by the proposed Redevelopment Programs.

BLIGHT ALLEVIATION	REDEVELOPMENT PROJECT ACTIVITIES			
	RELOCATION OF PUBLIC WORKS YARD	SCHOOL DISTRICT EXPANSION AND RELOCATION	COMMERCIAL SITE REDEVELOPMENT	CIVIC CENTER MASTER PLAN
Incompatible Land Uses	★	★		
Obsolete Structures	★	★	★	★
Inadequate Parking Facilities			★	★
Unightly or Unattractive Signage and Graphics/Lack of Design Standards	●★	★	★	
Inadequate Land Use and Townscape Planning	●★	★	★	
Recycling of Under-Utilized Parcels	●★	★	★	★
Upgrading of Older Commercial Enterprises			★	
Needed Street Improvements				
Parcels with Irregular Form or Shape or Inadequate Size		★	★	
Obsolete and/or Dilapidated Structures	●★	★	★	★
Need for Continued Redevelopment of Downtown Business District	●★		★	★

TOWN CENTRE II REDEVELOPMENT PROJECT AREA

Five Year Implementation Plan for Years 2000 - 2004

TABLE 2
PROJECT AREA PROFILE

LAND AREA:	141.11 acres
BOUNDARY:	The Project Area consists of eight separate areas in northwest Chula Vista, including the Chula Vista Shopping Center; and a separate area located in southwest Chula Vista.
LAND USE:	The Project Area consists of a variety of primarily commercial land uses, including the region's major shopping mall, the new WalMart Center, the City's existing Corporate Yard, and institutional land uses.
DATE ADOPTED:	July 6, 1976
DATE OF AMENDMENTS:	Adopted August 1978 Amended May 1987 Amended June 1988 Amended November 1994
TERM LIMIT:	2027
TAX INCREMENT LIMIT:	\$42.5 million
BONDED INDEBTEDNESS LIMIT:	\$100 million
CURRENT TAX INCREMENT FLOW:	\$732,000 after Low-Mod Set-Aside*

*SOURCE: City of Chula Vista Estimate of Tax Increment Flow, FY 1999-2000